

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
WASHINGTON, D. C.

DEC 21 1939

no. 401

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COTTON FARMERS VOTE DECEMBER 9  
ON MARKETING QUOTAS FOR 1940

November 18, 1939.

Dear Committeeman:

You and your fellow cotton farmers will have the responsibility on Saturday, December 9, of charting the course of cotton for the 1940 marketing year. Your decision will be of significance to every person directly or indirectly involved in the production, handling, and processing of cotton. We are particularly anxious that every eligible cotton grower vote in the referendum.

It will be well for you and the cotton farmers to whom you are responsible as a Triple-A committeeman to examine carefully the evidence bearing upon the need of applying marketing quotas to the 1940 cotton crop. Many of the facts are well known to you, but every cotton grower must consider them thoroughly before voting if the results of the referendum are to reflect the best judgment of all.

These facts may be summarized as follows:

1. Cotton Production.—In 1937, before marketing quotas were authorized by the Agricultural Adjustment Act of 1938, farmers produced 19 million bales. This huge crop was far out of line with demand, and is one of the chief reasons for the present large carry-over. In the next 2 years, with marketing quotas, production was about 12 million bales each year. Thus the new supplies that went to market in 1938 and 1939 were matched almost equally with consumption of American cotton.

2. Cotton Supply.—The world supply of American cotton is now 26 million bales; of all cotton, 50 million bales, which is within about a half million bales of the all-time record in 1937. American cotton on hand is equivalent to 2 years' growth and the 1939 carry-over, 14 million bales, is the largest on record.

3. Cotton Income.—Though still too low, cash income from cotton in the crop year 1938-39, plus Government payments, practically equaled the average cash income in the period from 1909 to 1913, and cotton farmers have been able to buy about twice as much during each of the last 6 years as they could in 1932.

4. Conservation.—One of the most important gains under marketing quotas and the general Farm Program is the conservation that has been practiced on acres formerly left to deplete and erode. Southern farmers have planted more forest trees, legumes, and soil-building crops, carried out more valuable soil-building practices, and made more improvements in their farming operations these last 2 years than ever before. These are gains worth preserving.



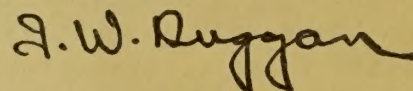
5. Cotton and War.—You will be asked, possibly as you have already, whether the European War will not solve the cotton situation. The experience of the World War indicates much to the contrary, but farmers are organized much better now than in 1914. By holding to the course followed during the last 2 years under the Farm Program, farmers can maintain their industry at an even keel through troubled times. They can avoid the overproduction of 1937, the falling prices of the first 2 years of the World War, and the aftermath of that war.

The marketing quotas for 1940, if approved by two-thirds of those voting December 9, will operate just as they did in 1938 and 1939. The national cotton acreage allotment will be about the same as this year, and cotton farmers will be eligible for any loans authorized. Disapproval of the quota in the referendum will place noncooperators in a position to increase their cotton acreage without penalty and will probably lead to the overproduction of cotton. Whether or not the quota is in effect, cotton acreage allotments will be made under the Agricultural Conservation Program, and cooperators may receive payments for not exceeding the cotton allotment and for carrying out soil-building practices. In addition, price adjustment payments will be made to cooperators.

This, in brief, is the case: With quotas, enough cotton to meet all needs; ample acreage for the production of home food and feed needs; continued conservation of the soil; improvement of farm income; and progress toward a solution of the cotton problem. Without quotas, loss of balance between cotton production and demand, setbacks to farm income, to soil conservation, and to the campaigns to improve the cotton situation.

The decision is for you and all eligible cotton growers to make. I strongly urge you as a committeeman to work to bring out the largest possible vote so that the decision will be the truest possible expression of the way cotton growers want to carry on their industry in 1940-41.

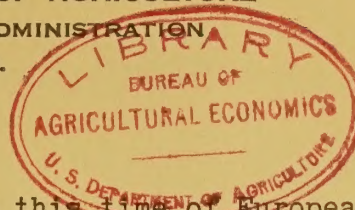
Sincerely,



I. W. Duggan,  
Director, Southern Division.



UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
WASHINGTON, D. C.



June 15, 1940

Dear Committeeman:

As another growing season gets under way in this time of European conflict, I am sure all of us realize that it is more important than ever that we keep supplies of cash crops as nearly in line with demand as possible, that we produce adequate food and feed for use on the farm, that we conserve our soil, and at the same time provide ample supplies of agricultural products for the consumers of the Nation.

The 1940 AAA Farm Program, designed by and for farmers and administered by them, is the best program we have ever had. It is an instrument through which farmers can carry out a plan of farming most likely to return them greatest benefits over a period of time.

The success of the farm program is squarely up to you. At your suggestion, Congress has provided you the machinery, but the job of operation is yours. Your policies and the decisions you make will not only vitally affect the provisions of the program but they will also have great bearing on the cost of running it. The operating costs must be reasonable; consequently, we must all strive to eliminate unnecessary expenses and to operate the program as economically as possible.

To those of you who have served previously on your AAA committee, I can truthfully say that you have done a good job. A program so large in scope and serving so many people must necessarily be more or less complicated. You are to be commended upon your understanding of the provisions and your efficient administration of the program.

To you who are serving your first year as AAA committeemen, let me say that I have already seen very active indications of the fine work you are doing. Your presence at community and county meetings and your contacts with other farmers already have resulted in an enthusiastic effort by all farmers to get the job done.

The national farm program which you administer is truly a conservation program in the broadest sense. It conserves not only the soil but also the best human values of the farms. It is also an all-weather, ever-normal granary and crop insurance program, which is guarding both farmers and consumers against the dangers of drought and scarcity, as well as surplus.

In addition to the AAA programs, there are other closely related activities, all designed to expand agriculture's market at home and abroad. For example, through trade agreements and special export programs, farm exports have been increased. At home, four great research laboratories have been established to find new industrial uses for farm products.

During the last 7 years, the national farm program has encountered obstacles and hazards of every kind. It has weathered years of drought, years of surplus, and other disturbing factors. But in spite of all these obstacles and hazards, the farmer associations and farmer committees have carried on and I am convinced that you will continue to champion the cause of economic democracy.

Today the farmers of the United States are well informed on the things which concern their best interests. They understand pretty well their past mistakes and are thereby better able to chart their course for the future. This better understanding of their problems has been due in large part to the cooperation of the AAA committeemen with the established agricultural educational agencies.

And so, it is up to you as committeemen to carry on the constructive work begun in previous years. The 1940 AAA Program gives you the best opportunity afforded so far to assist your fellow-farmers in this cooperative effort to secure for agriculture a fair share of the national income.

I want to assure you of my full cooperation in this undertaking. If at any time you have any suggestions to make on the program, I hope you will feel free to transmit them through your county and State committees.

Sincerely yours,

*I. W. Duggan*

I. W. Duggan,  
Director, Southern Division.



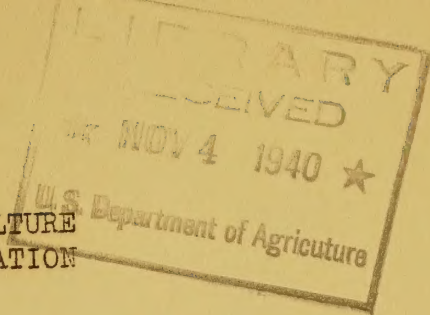




SR-Committeeman Letter No. 407  
(Florida and Louisiana)

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UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
Washington, D.C.



October 21, 1940

Dear Committeeman:

President Roosevelt has just approved legislation (Public Resolution No. 860, 76th Congress 3rd Session) extending the Sugar Act of 1937 for another year.

The extension of the Sugar Act assures Louisiana and Florida sugar-cane growers a 1941 sugar program similar to past programs. This means that growers will continue to be protected by the quota system and by conditional payments against the disastrously low world sugar prices that have prevailed since May. It also means that producers whose crops are seriously damaged by drought, flood, freeze, insects, disease, or storm will continue to be protected by the crop insurance feature of the Act when such damage is general in the area. This insurance will prove distinctly valuable to growers in certain areas in the mainland cane area whose 1940 crop was severely damaged by freeze, storm, and floods.

While the protection of the quota structure is extended to all mainland cane growers, payments under the Act are made only to growers who comply with certain conditions. These are that they must not employ child labor, must pay fair wages to farm labor, must carry out soil conserving practices, must comply with proportionate shares, and, in the case of growers who are also processors, must pay fair prices for cane bought from other growers. The Act authorizes the appropriation of funds for payments to growers but it is necessary, of course, for Congress to actually appropriate such funds.

The President has also just approved legislation (Public Resolution No. 104, 76th Congress, 3rd Session) which is designed to solve the compliance problem of Louisiana and Florida growers who planted sugarcane in excess of their proportionate shares during the sugar quota suspension period of the last four months of 1939. This legislation will permit growers who have complied with other conditions of payment to harvest up to 110 percent of their proportionate share, or their proportionate share plus 25 acres, whichever is larger, without any deduction from the conditional payment on their 1940 proportionate share. Growers with acreage in excess of that which may be harvested without deduction will have deducted from their payment \$10 for each excess acre harvested, (after the tolerance factor mentioned) up to 500 acres, and \$20 for each additional acre. The Department had reported favorably on this legislation in a letter sent by Secretary Wallace to Senator Smith, Chairman of the Senate Committee on Agriculture and Forestry, in April of this year.

Very truly yours,

*I. W. Duggan*  
I. W. Duggan  
Director, Southern Division.



